



ENERGY ASSURANCE DAILY

Friday Evening, May 22, 2015

Electricity

NPPD's 764 MW Cooper Nuclear Unit in Nebraska Reduced to 70 Percent by May 22

On the morning of May 21 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2015/>

Petroleum

Update: Plains All American's Oil Spill Clean-up Efforts Slowed Due to Bad Weather in California

Bad weather Thursday night slowed cleanup efforts at the site of Plains All American's (PAA's) ruptured oil pipeline that spilled an estimated 105,000 gallons of crude oil on Tuesday near Santa Barbara, California. The National Weather Service says gusty winds were whipping up waves as high as 4 feet early Friday off Santa Barbara County. Several days of calm seas had helped crews. A small watercraft advisory was issued overnight and a local Santa Barbara news station said oil skimming vessels were brought in late Thursday because of bad weather. Crews have yet to excavate the broken piece of pipeline, which under the law must be done in the presence of federal regulators and a third party, PAA officials said. About 21,000 gallons is believed to have made it to the sea and split into slicks that stretched 9 miles along the coast. As of Thursday, more than 9,000 gallons had been raked, skimmed, and vacuumed up. The company was investigating whether two malfunctions that occurred shortly before the spill was discovered were part of the cause. The 24-inch pipe, built in 1987, had no previous problems and was thoroughly inspected in 2012, according to PAA. The pipe underwent similar tests about two weeks ago, though the results had not been analyzed yet.

<http://www.plainsupdate.com/go/doc/7258/2516914/>

<http://abcnews.go.com/Technology/wireStory/finding-california-oil-spills-months-31226188>

Coast Guard Responding to Oil Platform Fire in Gulf of Mexico May 22

The U.S. Coast Guard said it was responding to a fire that shut an oil platform near Breton Island in the Gulf of Mexico on Friday. As many as 28 people on board the platform in Breton Sound Block 21 were evacuated and no injuries were reported, the Coast Guard said. Production was stopped at the platform, which has around 4,000 barrels of crude oil on board, the Coast Guard said, adding that a 1.4-nautical mile rainbow sheen was observed drifting southwest of the platform. Initial response vessels were on scene and the cause of the incident was being investigated.

<http://www.uscgnews.com/go/doc/4007/2518154/>

Reuters, 11:42 May 22, 2015

Imperial Oil's 121,000 b/d Sarnia, Ontario Refinery Issued All Clear after Hydrogen Sulfide Release May 22

Imperial Oil's Sarnia, Ontario refinery was issued an all clear after there was an alert for a hydrogen sulfide release from a tank vent. Normal tank operations have been re-established, according to the Sarnia-Lambton alert site.

Reuters, 2:35 May 22, 2015

Tesoro Reports Crude Unit Startup at Its 120,000 b/d Anacortes, Washington Refinery May 13

Reuters, 19:32 May 21, 2015

ExxonMobil Reports Flaring at Its 149,500 b/d Torrance, California Refinery May 21

Reuters, 18:32 May 21, 2015

Enbridge Says It Can Expand Its Flanagan, Seaway Pipeline Systems to Move Canadian Heavy Crude Oil to Gulf Coast

Enbridge Energy Partners' Flanagan South and joint-venture Seaway pipeline systems can be expanded to move more Canadian heavy crude oil to the U.S. Gulf Coast, the company's president said on Friday. The 600,000 b/d, Illinois-to-Oklahoma Flanagan South pipeline and a new 450,000 b/d Oklahoma-to-Texas Seaway Twin pipeline started up in December. The company said those systems could move up to another 200,000 b/d. Enbridge is a 50 percent partner in Seaway, which is operated by Enterprise Products Partners LP.

Reuters, 9:07 May 22, 2015

Washington State Judge Denies Shell's Appeal on 70,000 b/d Oil-by-Rail Project

A judge on Thursday denied Royal Dutch Shell's appeal of a ruling that a proposed oil-by-rail project at its 145,000 b/d Anacortes, Washington refinery must undergo a full environmental review. Shell had appealed a February ruling from a Skagit County Office of Land Use Hearings examiner that the plan to move 70,000 b/d of inland crude oil to its refinery in Anacortes must be comprehensively reviewed. In 2014, the county said the project did not need that much scrutiny to get a permit, prompting challenges from several environmental organizations. On Thursday, a Skagit County Superior Court judge denied Shell's appeal, according to court officials. Shell had sought to limit the review's scope to exclude railroad issues overseen solely by federal regulators, but said it remains committed to working with the county and other agencies to finish the permitting process.

Reuters, 18:34 May 21, 2015

EPA, DOJ Settle with Marathon Petroleum to Cut Harmful Air Emissions at Facilities in Indiana, Kentucky, Ohio

The Environmental Protection Agency (EPA) and the Department of Justice (DOJ) reached a settlement May 19 with Marathon Petroleum Corporation resolving a number of alleged Clean Air Act violations, including the company's failure to comply with federal fuel quality emissions standards and recordkeeping, sampling, and testing requirements at ten facilities in Indiana, Kentucky, and Ohio. The company will pay a \$2.9 million civil penalty, spend over \$2.8 million on pollution controls, retire 5.5 billion sulfur credits, and take steps to reduce harmful air pollution emissions.

<http://yosemite.epa.gov/opa/admpress.nsf/0/07CE680B3FE75B8485257E4A005E1853>

House Committee Passes Bill to Sell Oil from SPR May 21

The House of Representatives Energy and Commerce Committee passed the 21st Century Cures Act on Thursday that would tap the Strategic Petroleum Reserve (SPR) to help pay for speeding new drugs to market. The bill streamlines the Food and Drug Administration's review of drugs for additional use, and would sell 8 million barrels of oil from the SPR for eight years to help pay for it. SPR currently holds 691.3 million barrels, more than required by international agreements. The Committee Chairman wants the full House to vote on the bill in June.

Reuters, 11:15 May 22, 2015

Natural Gas

South Jersey Gas Reapplies to Build 22-Mile Pinelands Natural Gas Pipeline in New Jersey

South Jersey Gas on Thursday filed an amendment to its 2013 application, which government regulators rejected in 2014, to build a 22-mile natural gas pipeline in New Jersey's Pinelands. The company argued the pipeline to the B.L. England Generating Station in Upper Township meets standards for approval. At issue is how much gas would be used by customers outside the Pinelands. The company says the pipeline would make customers less vulnerable to an outage in the event of an accident or natural disaster. Environmental groups said the pipeline construction would damage land and leave the area open to future development.

http://www.downstreamtoday.com/news/article.aspx?a_id=47775

Other News

Nothing to report.

International News

Nothing to report.

Energy Prices

U.S. Oil and Gas Prices			
May 22, 2015			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	59.23	59.37	104.13
NATURAL GAS Henry Hub \$/Million Btu	2.93	2.87	4.57

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

Please direct comments and questions to: ead@oe.netl.doe.gov